

## **STEP 2 – PROPOSAL ABSTRACT**

**Applicant Name:** **Butte-Silver Bow Local Government**

**Project Title:** **Big Hole Transmission Line Replacement – Year 7**

### **Project Description and Benefits to Restoration:**

Due to the adverse impacts of mining from the Berkeley Pit and the underground mines, the groundwater aquifers in portions of Butte can never be used for drinking. The NRD assessment estimates for lost groundwater resources on the Butte Hill alone exceed 5,000 gallons per minute – about the average amount of water used by all Butte citizens on a typical day (except during sprinkling season). Consequently, to protect human health, use of existing groundwater wells is limited and there are prohibitions on new wells in certain areas.

Since 1992, Butte Silver Bow has been the owner/operator of the water utility division. As a result of a settlement, water consumers inherited neglected 100-year-old system. At this same time, Butte-Silver Bow ratepayers had to invest over \$50 million (see appendix C) to restore and replace its drinking water system – a complex infrastructure to import water from across the Continental Divide and from the mountain creeks surrounding Butte. These investments were unconditional and mandatory: There were no alternative sources to develop since the local groundwater is permanently damaged, and neglected improvements by the previous owner had led to federal orders to upgrade the system.

More work is needed. Butte-Silver Bow has made a tremendous effort to make essential improvements to the system. Butte Silver Bow recognizes the need to replace sections of deteriorated (e.g. leaking, corroded) transmission lines. This Big Hole water can serve the entire community with water. This was evident when the Basin Creek rehabilitation was being performed. The Dam was emptied and 98% of Butte's potable water was supplied from the Big Hole Source. Program to respond to precise areas where deficiencies are creating the most problems.

In Year Seven of the Natural Resource Damage Grant Program, Butte-Silver Bow requests \$1,644,722 in NRD funds, and pledges \$548,241 in matching funds to replace up to a total of 10,000 feet of Transmission lines. This investment will fulfill essential priorities and also achieve effective coordination with applicable NRDP requirements.

**Chart A: Project Budget Summary**  
**NATURAL RESOURCE DAMAGE PROGRAM -- 2007 APPLICATION**  
**Butte-Silver Bow - Transmission Line Replacement Project -- Year 7**

	Annual	Y2007	NRDP	BSB	BSB	BSB
DESCRIPTION	Hours	Total	Share (75%)	In-kind	Cash Share (25%) of Total	TOTAL
<b>1. SALARIES AND WAGES</b>						
DPW Director	82	\$ 3,032	\$ -	\$ 3,032		\$ 3,032
Water Division General Manager	252	\$ 5,713	\$ -	\$ 5,713		\$ 5,713
DPW Engineer Technican	404	\$ 5,761	\$ -	\$ 5,761		\$ 5,761
Water Division Staff	572	\$ 10,016	\$ -	\$ 10,016		\$ 10,016
Other Staff	60	\$ 1,020	\$ -	\$ 1,020		\$ 1,020
						\$ -
Sub-Total Salaries		\$ 25,542	\$ -	\$ 25,542		\$ 25,542
				\$ -		\$ -
<b>2. BENEFITS @ 34% of Wages</b>		\$ 8,684	\$ -	\$ 8,684		\$ 8,684
Total Wages and Benefits:		\$ 34,227	\$ -	\$ 34,227		\$ 34,227
						\$ -
<b>3. CONSTRUCTION SERVICES:</b>						\$ -
Engineering Consultation		\$ 328,255	\$ 250,890		\$ 77,365	\$ 77,365
Construction		\$ 1,823,636	\$ 1,393,832	\$ 429,804		\$ 429,804
(includes supplies and materials to replace pipes)						\$ -
						\$ -
						\$ -
<b>4. SUPPLIES AND MATERIALS</b>		\$ -	\$ -		\$ -	\$ -
<b>5. COMMUNICATIONS</b>		\$ -	\$ -		\$ -	\$ -
<b>6. TRAVEL</b>		\$ -	\$ -		\$ -	\$ -
<b>7. RENT AND UTILITIES</b>		\$ -	\$ -		\$ -	\$ -
<b>8. EQUIPMENT</b>		\$ -	\$ -		\$ -	\$ -
						\$ -
<b>9. MISCELLANEOUS</b>						\$ -
Indirect Costs		\$ 6,845	\$ -	\$ 6,845		\$ 6,845
@ 20% of salaries and benefits						\$ -
						\$ -
<b>TOTAL PROJECT COSTS:</b>		\$ 2,192,963	\$ 1,644,722	\$ 470,876	\$ 77,365	\$ 548,241

**NOTES:**

Engineering design, inspection and grant administration @ 18% of construction costs

\*\* Construction based on Butte-Silver Bow estimates plus 15% contingency